Day Care Discussion Paper

1983

INTRODUCTION

As I have travelled throughout the province since assuming the position of Minister of Social Services, I have frequently heard from groups who have a specific interest in day care. A variety of views have been expressed to me as well as the desire by many to have some input into the future direction of the Day Care Program.

In response to this, I have appointed Saskatoon M.L.A., Jo-Ann Zazelenchuk, my legislative secretary, to seek input from all interested groups and individuals. A new Advisory Board has recently been appointed and one of their first tasks will be to provide additional input which will help focus the direction of the Saskatchewan program.

While the exercise is not intended to be a full scale review, public input is required to ensure that any initiatives in day care reflect actual public needs. I am, therefore, pleased to enclose the following report which identifies the key issues which have been brought to my attention. The purpose of this report is to generate discussion of the pertinent issues which have been identified.

I look forward to the contribution you or your organization may provide during this process.

Gordon Dirks

Honourable Gordon E. Dirks
Minister of Social Services

As legislative secretary for the Honourable Gordon Dirks, I am pleased to have been assigned the task of studying specific aspects of the day care program.

I am enclosing the following discussion paper which identifies the key issues which have been brought to my attention.

I will be completing my report to the Minister by mid-December and would appreciate responses to the discussion paper as soon as possible.

You may send your responses to my Saskatoon office at 201 - 1008 - 20th Street West. I am also prepared to meet with as many groups as time permits and if you wish to arrange a meeting, please call my office at 683-0300.

I look forward to the opportunity to hear from all those that have an interest in the future of day care services in this province.

Jo-Ann Zazelenchuk

DAY CARE DISCUSSION PAPER

Background

Day care developed historically in Canada as a service to parents, particularly women, in, or aspiring to, the labour force. The growth in women's employment has been a major factor in the increasing need for alternate child care arrangements. The Saskatchewan Day Care Program was developed in response to this need in 1975. The Day Care Regulations were approved by Order-in-Council 1239/75 pursuant to section 87 of The Family Services Act.

The primary intent of the Day Care Program is to facilitate the development of alternate care services and to provide financial assistance to families with limited incomes who require day care services as a support to employment, education or training. This is the focus of the day care program although there have been concerns expressed by some that the program offers more resources to parents who work outside the home compared to parents who choose to work in the home.

The Department of Social Services licenses day care centres and approves family day care homes. At present there are 94 day care centres with 3495 spaces in the province. There are 371 approved family day care homes with an average of 4.5 children per home.

With the exception of four day care centres which existed prior to the Day Care Regulations, all centres are operated by autonomous boards incorporated under The Non-Profit Corporations Act or The Co-operatives Act. Approved day care home providers are individuals approved by the department to care for up to eight children in their own homes.

Families are eligible to apply for a day care subsidy if the parent(s) are employed, looking for employment (eligible for two months), attending school or the family has a special assessed need and meet the requirements of the income test.

Day care subsidies will cover 90 percent of the day care fee to a maximum of $235 per month per child. A family is eligible for maximum subsidy at an adjusted monthly income of $1539 or less (adjusted = gross income minus $100 for each dependent child). Subsidies decrease on a sliding scale for higher incomes.

Subsidies are paid on behalf of approximately 70 percent of children using day care facilities. The average subsidy paid out is $200 per month per child and 80 percent of the families applying for subsidies are single parent families.

Licensed day care centres and approved family day care homes are eligible for various types of grants. For the purpose of assisting with the development of day care, a one-time start-up grant of $600 per space for centres and $200 per home is available. An annual grant of $100 per space in centres and $50 per space in homes is paid for the replacement of equipment and supplies. Special supervision and equipment grants are paid to centres on behalf of children referred on the basis of an emotional, mental or physical handicap. The special supervision grants are $200 per month per child and the special needs equipment grants are $50 per month per child.

The foregoing has been intended to provide the reader with a brief overview of the day care program. The remainder of the report will deal with specific issues that have been identified by the public. Options to address these concerns have been presented for your consideration.

Your input will assist the department in determining which option in each of the discussion areas is the most appropriate course of action for the department to pursue.

If any of the discussion areas contain more than one option that you think is desirable, please priorize them in order of relative importance.

I. Day Care Funding

Day care facilities generate the bulk of their operating revenue through the collection of fees which are set by the centre board or the individual provider.

Subsidies are available to families which offset the cost of the fee if income and eligibility requirements are met. Families with adjusted incomes of $1539 per month or less are eligible to receive the maximum subsidy at 90 percent of the day care fee or $235 per month per child, whichever is less.

1. One child in day care

Gross Income/Month	Maximum Subsidy Entitlement
$1639	$235/child
Subsidy decreases on a sliding scale to:	
$2559	$5.00/child

2. Two children in day care:

Gross Income/Month	Maximum Subsidy Entitlement
$1739	$235/child
Subsidy decreases on a sliding scale to:	
$3579	$5.00/child

3. Three children in day care:

Gross Income/Month	Maximum Subsidy Entitlement
$1839	$235/child
Subsidy decreases on a sliding scale to:	
$4539	$5.00/child

Presently the fees in Saskatchewan range from $195 to $330 per month for full-time care. Fees tend to be significantly lower in rural areas in both centres and homes.

A major concern with the present funding system which has been expressed by some of the public is that in order to generate sufficient revenue to meet operating costs, especially in the urban areas, fees have had to increase to the point that some parents on maximum subsidy may not be able to afford the difference between the subsidy and the day care fee. As well, increased fees for parents not eligible for subsidy may deter them from using day care facilities.

In addition, it has also been pointed out that revenue fluctuates with enrollment creating difficulties with long-term planning. In order to compensate for this, some boards and providers charge full-time fees regardless of service that is required. This is a deterrent to many parents who require only part-time care.

The following are presented for your consideration as options which may help alleviate these concerns.

Options:

1. Increase maximum subsidy levels beyond $235 per month per child.

   Rationale: Maximum subsidies cover 90 percent of the fee to $235 per month. The maximum subsidy of $235 per month is captured at a fee of $261. Approximately 35 percent of day care facilities in the province (75 percent in urban areas) charge fees higher than this and the additional cost is passed directly on to the parent. Higher subsidy levels would provide more assistance to subsidized families that are using facilities that charge more than $260 per month.

2. Increase income levels at which families are eligible for subsidies.

   Rationale: Approximately 70 percent of children in day care facilities have a subsidy paid on their behalf. About 75 percent of subsidized families receive the maximum subsidy and the remainder receive less depending on the family income. Increasing the income levels at which families qualify would not affect the 75 percent already in receipt of the maximum but would provide more assistance to families receiving partial subsidy. In addition, some of the families who do not qualify at present because of their income, may be eligible for partial subsidy.

3. Reduce the maximum income levels at which families qualify for subsidies.

   Rationale: This measure would direct public funds to only those families that could not afford child care services that are necessary to enable them to work or receive educational training, without the availability of subsidies.

4. Require that fees reflect actual service provided in a facility.

   Rationale: Part-time care would become less costly in facilities which charge a month's fee regardless of the amount of service that is provided. This would make day care services more affordable for families requiring less than full-time care.

5. Limit fees which can be charged in approved day care homes.

   Rationale: At the present time, fees in approved homes generally range from $200 to $330 per month. The average fee in approved homes is higher than the average centre fee.

6. Direct an increased proportion of day care funding to ongoing grants to centres to be used at the discretion of the board.

   Rationale: Increased direct grants may result in reduced fees for all parents or could be utilized to increase quality of care in the centre.

7. Direct an increased proportion of day care funding to ongoing grants to centres with the stipulation that fees are to be reduced accordingly.

   Rationale: While there would be greater external control on the operation of day care facilities, this option addresses the issue of affordability of day care for all families.

II. Training/Education

The Day Care Regulations require that all centre staff complete the "40 Hour Day Care Worker Training Program" or its equivalent as the minimum training requirement. This program is offered by the community colleges throughout the province.

Another training program available in Saskatchewan, although not a requirement in regulations, is the Child Care Training Program through Kelsey Institute in Saskatoon. Students have the choice of either a one or two year program.

A third program has been developed which is currently being offered on a pilot project basis at the Saskatoon Region Community College. The program takes 42 hours to complete.

Family day care providers are not required to have formal training though many of them participate in workshops put on by the Department of Social Services.

A variety of views have been expressed with regard to the training requirements of individuals caring for young children. While some of the public think training requirements should be increased and should include family day care providers, others do not believe that formal training should be mandatory.

Options:

1. Continue with existing training requirement for day care centre staff.

2. Increase minimum training requirement for day care centre staff.

3. Require family day care providers to have formal training.

4. No formal training should be required for centre staff and/or family day care providers.

III. Availability of Day Care Spaces

Formal day care is available in licensed day care centres and approved family day care homes. While preschool and school-age care is available in centres and homes, infant care is only available in family day care homes. There are approximately 3500 spaces in centres and 1650 spaces in homes.

Location of facilities, cost of service and parents' preference for certain types of care are all factors affecting whether or not they will choose "formal" day care.

It must be acknowledged that many parents prefer informal arrangements with babysitters, friends or relatives. Parents' preferences for certain types of care also change depending on the ages of their children.

Assuming that increasing numbers of women will enter the workforce and will require alternate child care arrangements, your input will be useful to us in helping to determine the priorities for development.

Options:

1. Greater emphasis should be given to the development of approved homes rather than licensed centres.

2. Greater emphasis should be given to the development of day care centres rather than approved family day care homes.

3. Initiate the development of additional options of care. An example may be group day care homes. Group day care is provided in a private residence with a minimum of two staff caring for up to 15 children on a regular basis.

While the foregoing has addressed types of facilities to be developed, your input would also be appreciated in priorizing the needs for various age groups.

Options:

1. Priorize the development of infant spaces.

2. Priorize the development of preschool spaces.

3. Priorize the development of school-age spaces.

IV. Mode of Delivery

The Saskatchewan Day Care Regulations require that day care centres providing full-time care to children be licensed by the Department of Social Services.

To be eligible for a licence, day care centres must be registered as a non-profit corporation or co-operative. They may be operated by parent, community or church boards.

Day care facilities develop in response to the needs expressed by a particular group of parents. While the majority of centres develop within the neighbourhood of parent users, others have developed in educational facilities and work-sites.

While the regulations permit a variety of options, concern has been expressed by some of the public that centres operated privately by individuals or companies have been excluded in legislation as another alternative.

Following are some areas for consideration in this regard.

Options:

1. Licence private day care centres according to the standards in the Day Care Regulations and provide government funding in the same manner as the non-profit corporations and co-operatives.

2. Licence private day care centres and assist parents in paying for the service with provision of subsidies but provide no grants to the private facilities.

3. Licence private day care centres but provide no government funding either in the form of grants or parent subsidies.

4. Permit private day care centres in legislation but do not require that they be licensed.

5. Permit only non-profit centres to operate.